

107TH CONGRESS
1ST SESSION

H. R. 2604

To authorize the United States to participate in and contribute to the seventh replenishment of the resources of the Asian Development Fund and the fifth replenishment of the resources of the International Fund for Agricultural Development, and to set forth additional policies of the United States towards the African Development Bank, the African Development Fund, the Asian Development Bank, the Inter-American Development Bank, and the European Bank for Reconstruction and Development.

IN THE HOUSE OF REPRESENTATIVES

JULY 24, 2001

Mr. BEREUTER (for himself, Mr. SANDERS, Mrs. ROUKEMA, Mr. BAKER, Mr. SHAYS, Mrs. MALONEY of New York, and Mr. LAFALCE) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To authorize the United States to participate in and contribute to the seventh replenishment of the resources of the Asian Development Fund and the fifth replenishment of the resources of the International Fund for Agricultural Development, and to set forth additional policies of the United States towards the African Development Bank, the African Development Fund, the Asian Development Bank, the Inter-American Development Bank, and the European Bank for Reconstruction and Development.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. UNITED STATES CONTRIBUTION TO THE SEV-**
 4 **ENTH REPLENISHMENT OF THE RESOURCES**
 5 **OF THE ASIAN DEVELOPMENT FUND.**

6 The Asian Development Bank Act (22 U.S.C. 285–
 7 285aa) is amended by adding at the end the following:

8 **“SEC. 31. SEVENTH REPLENISHMENT.**

9 “(a) CONTRIBUTION AUTHORITY.—

10 “(1) IN GENERAL.—The United States Gov-
 11 ernor of the Bank may contribute on behalf of the
 12 United States \$412,000,000 to the Asian Develop-
 13 ment Fund, a special fund of the Bank.

14 “(2) SUBJECT TO APPROPRIATIONS.—The au-
 15 thority provided by paragraph (1) shall be effective
 16 only to such extent or in such amounts as are pro-
 17 vided in advance in appropriations Acts.

18 “(b) LIMITATIONS ON AUTHORIZATION OF APPRO-
 19 PRIATIONS.—For contribution authorized by subsection
 20 (a), there are authorized to be appropriated to the Sec-
 21 retary of the Treasury not more than \$412,000,000, with-
 22 out fiscal year limitation.”.

1 **SEC. 2. UNITED STATES CONTRIBUTION TO THE FIFTH RE-**
2 **PLENISHMENT OF THE RESOURCES OF THE**
3 **INTERNATIONAL FUND FOR AGRICULTURAL**
4 **DEVELOPMENT.**

5 (a) CONTRIBUTION AUTHORITY.—

6 (1) IN GENERAL.—The United States Governor
7 of the International Fund for Agricultural Develop-
8 ment may contribute on behalf of the United States
9 \$30,000,000 to the International Fund for Agricul-
10 tural Development.

11 (2) SUBJECT TO APPROPRIATIONS.—The au-
12 thority provided by paragraph (1) shall be effective
13 only to such extent or in such amounts as are pro-
14 vided in advance in appropriations Acts.

15 (b) LIMITATIONS ON AUTHORIZATION OF APPRO-
16 PRIATIONS.—For contribution authorized by subsection
17 (a), there are authorized to be appropriated to the Sec-
18 retary of the Treasury not more than \$30,000,000, with-
19 out fiscal year limitation.

20 **SEC. 3. HIV/AIDS STRATEGIC PLAN.**

21 Title XVI of the International Financial Institutions
22 Act (22 U.S.C. 262p–262p-7) is amended by adding at
23 the end the following:

24 **“SEC. 1625. HIV/AIDS STRATEGIC PLAN.**

25 “The Secretary of the Treasury shall instruct the
26 United States Executive Directors at the African Develop-

1 ment Bank, the African Development Fund, the Asian De-
2 velopment Bank, the Asian Development Fund, a special
3 fund of the Asian Development Bank, the Inter-American
4 Development Bank, and the European Bank for Recon-
5 struction and Development, and the United States Gov-
6 ernor of the International Fund for Agricultural Develop-
7 ment to support continued efforts by such institutions in
8 regard to HIV/AIDS, tuberculosis, malaria, and other in-
9 fectious diseases, including—

10 “(1) development and implementation of a stra-
11 tegic plan to fight against the spread of HIV/AIDS,
12 tuberculosis, malaria, and other infectious diseases;

13 “(2) integration of HIV/AIDS, tuberculosis,
14 malaria, and other infectious diseases activities in
15 ongoing projects as appropriate, development of new
16 dedicated HIV/AIDS, tuberculosis, malaria, and
17 other infectious diseases, projects as appropriate
18 that take into consideration the institution’s man-
19 date and core strengths, and the building of AIDS-
20 mitigation measures into other projects;

21 “(3) design and implementation of HIV/AIDS,
22 tuberculosis, malaria, and other infectious diseases
23 impact assessment criteria into environmental and
24 social assessment processes that the institution con-

1 siders when designing and evaluating new project
2 proposals;

3 “(4) work on disseminating information on best
4 practices and project design for HIV/AIDS, tuber-
5 culosis, malaria, and other infectious diseases
6 projects;

7 “(5) support training for professional staff on
8 HIV/AIDS, tuberculosis, malaria, and other infec-
9 tious disease prevention issues to ensure that these
10 health-related concerns are integrated into all as-
11 pects of the work of the institution.”.

12 **SEC. 4. USER FEES.**

13 Title XVI of the International Financial Institutions
14 Act (22 U.S.C. 262p–262p-7) is further amended by add-
15 ing at the end the following:

16 **“SEC. 1626. USER FEES.**

17 “The Secretary of the Treasury shall instruct the
18 United States Executive Director at the African Develop-
19 ment Bank, the African Development Fund, the Asian De-
20 velopment Bank, the Asian Development Fund, a special
21 fund of the Asian Development Bank, the Inter-American
22 Development Bank, and the European Bank for Recon-
23 struction and Development, and the United States Gov-
24 ernor of the International Fund for Agricultural Develop-
25 ment to oppose user fees or service charges in impover-

1 ished countries, directly or under the guise of community
 2 financing, cost-sharing, or cost recovery mechanisms, for
 3 primary education or primary healthcare, including pre-
 4 vention and treatment efforts for HIV/AIDS, malaria, tu-
 5 berculosis, and infant, child, and maternal well-being, in
 6 connection with any strategy or country plan, grant, or
 7 loan by any such institution.”.

8 **SEC. 5. TRANSPARENCY.**

9 (a) UNITED STATES POLICY IN REGIONAL
 10 MULTILATERAL DEVELOPMENT INSTITUTIONS.—Title
 11 XV of the International Financial Institutions Act (22
 12 U.S.C. 262o–262o-2) is further amended by adding at the
 13 end the following:

14 **“SEC. 1504. TRANSPARENCY.**

15 “(a) IN GENERAL.—The Secretary of the Treasury
 16 shall instruct the United States Executive Director at the
 17 African Development Bank, the African Development
 18 Fund, the Asian Development Bank, the Asian Develop-
 19 ment Fund, a special fund of the Asian Development
 20 Bank, the Inter-American Development Bank, and the
 21 European Bank for Reconstruction and Development, and
 22 the United States Governor of the International Fund for
 23 Agricultural Development to—

24 “(1) continue to make efforts to promote great-
 25 er transparency regarding the activities of such in-

stitutions, including project design, project monitoring and evaluation, project implementation, resource allocation, and decisionmaking;

“(2) support continued efforts to allow informed participation and input by affected communities, including translation of information on proposed projects, providing information through information technology applications, oral briefings, and outreach to and dialogue with community organizations and institutions in affected areas; and

“(3) work toward ensuring that—

“(A) meetings of the Boards of Directors (or, in the case of the International Fund for Agricultural Development, the Board of Governors) of their respective institutions are open to the public and the media, except for discussion of individual personnel matters;

“(B) transcripts of such meetings are available to the public no later than 60 calendar days after the meetings, except for discussion of individual personnel matters; and

“(C) all key documents that are to be considered by the Board of Directors (or, in the case of the International Fund for Agricultural Development, the Board of Governors) of their

1 respective institutions will be made available to
2 the public at least 30 days before consideration
3 by the Board.

4 “(b) STATEMENT OF GOALS; REQUEST FOR SUP-
5 PORT.—The Secretary of the Treasury—

6 “(1) shall instruct the United States Executive
7 Director at the African Development Bank, the Afri-
8 can Development Fund, the Asian Development
9 Bank, the Asian Development Fund, a special fund
10 of the Asian Development Bank, the Inter-American
11 Development Bank, and the European Bank for Re-
12 construction and Development, and the United
13 States Governor of the International Fund for Agri-
14 cultural Development to state the goals enumerated
15 in subsection (a) in the respective institution and re-
16 quest support for efforts to achieve the goals, at a
17 meeting of the Board of Executive Directors (or, in
18 the case of the International Fund for Agricultural
19 Development, the Board of Governors) of the insti-
20 tution;

21 “(2) shall make a copy of any such statement
22 available to Committee on Financial Services of the
23 House of Representatives and the Committee on
24 Foreign Relations of the Senate; and

1 “(3) should make a copy of any such statement
2 available to the public.”.

3 (b) CONGRESSIONAL TESTIMONY REQUIRED.—The
4 United States Executive Directors at the African Develop-
5 ment Bank, the African Development Fund, the Asian De-
6 velopment Bank, the Asian Development Fund, a special
7 fund of the Asian Development Bank, the Inter-American
8 Development Bank, and the European Bank for Recon-
9 struction and Development, and the United States Gov-
10 ernor of the International Fund for Agricultural Develop-
11 ment shall, at the request of any subcommittee of the
12 Committee on Financial Services of the House of Rep-
13 resentatives or of the Committee on Foreign Relations of
14 the Senate that has jurisdiction over legislation concerning
15 any such institution, appear before the subcommittee on
16 an annual basis and testify on the efforts undertaken pur-
17 suant to section 1504 of the International Financial Insti-
18 tutions Act and on other matters relating to any such in-
19 stitution.

20 (c) GRANTS.—

21 (1) IN GENERAL.—The Secretary of the Treas-
22 ury may make grants in such amounts as the Sec-
23 retary deems appropriate to any institution specified
24 in paragraph (2) which—

1 (A) has implemented the measures de-
2 scribed in section 1504 of the International Fi-
3 nancial Institutions Act; and

4 (B) provides assurances to the Secretary
5 that the institution will use the grant solely for
6 transparency activities.

7 (2) INSTITUTIONS.—The institutions specified
8 in this paragraph are the African Development
9 Bank, the African Development Fund, the Asian De-
10 velopment Bank, the Asian Development Fund, a
11 special fund of the Asian Development Bank, the
12 Inter-American Development Bank, the European
13 Bank for Reconstruction and Development, and the
14 International Fund for Agricultural Development.

15 (3) LIMITATIONS ON AUTHORIZATION OF AP-
16 PROPRIATIONS.—For grants under this subsection,
17 there are authorized to be appropriated to the Sec-
18 retary of the Treasury not more than \$10,000,000
19 for fiscal year 2002.

20 (d) CONGRESSIONAL PURSUIT OF TRANSPARENCY
21 GOALS IN INTERPARLIAMENTARY DIALOGUES AND MEET-
22 INGS.—The Congress shall pursue the transparency goals
23 described in section 1504 of the International Financial
24 Institutions Act, in all official interparliamentary dia-
25 logues and meetings.

1 (e) PURSUIT OF TRANSPARENCY GOALS BY THE SEC-
2 RETARY OF THE TREASURY.—The Secretary of the Treas-
3 ury shall—

4 (1) transmit to the counterpart minister of each
5 member country of the institutions specified in sec-
6 tion 1504 of the International Financial Institutions
7 Act a letter that sets forth the goals enumerated in
8 such section 1504 and requests the minister to sup-
9 port efforts to achieve the goals, and submit to the
10 Committee on Financial Services of the House of
11 Representatives and the Committee on Foreign Re-
12 lations of the Senate a copy of any such letter;

13 (2) promote the goals enumerated in such sec-
14 tion 1504 at each meeting of the finance ministers
15 of the Group of Seven countries;

16 (3) ensure that, at any meeting of the Com-
17 mittee on Multilateral Development Bank Reform of
18 the Group of Seven, the representatives of the
19 United States advocate for the goals enumerated in
20 such section 1504; and

21 (4) submit annually to the Committee on Fi-
22 nancial Services of the House of Representatives and
23 the Committee on Foreign Relations of the Senate
24 a written report detailing the steps that have been
25 taken by the United States Executive Directors at

1 the institutions, by the finance ministers, and by the
2 institutions, referred to in paragraph (1) to imple-
3 ment the measures described in such section 1504.

4 **SEC. 6. GENERAL OBJECTIVES.**

5 Title XVI of the International Financial Institutions
6 Act (22 U.S.C. 262p–262p-7) is further amended by add-
7 ing at the end the following:

8 **“SEC. 1627. GENERAL OBJECTIVES.**

9 “The Secretary of the Treasury shall instruct the
10 United States Executive Director at the African Develop-
11 ment Bank, the African Development Fund, the Asian De-
12 velopment Bank, the Asian Development Fund, a special
13 fund of the Asian Development Bank, and the Inter-Amer-
14 ican Development Bank, and the United States Governor
15 of the International Fund for Agricultural Development
16 to focus on poverty alleviation, economic growth, increased
17 productivity, sustainable development, environmental pro-
18 tection, labor rights, and an increased focus on edu-
19 cation.”.

20 **SEC. 7. STUDY BY THE GENERAL ACCOUNTING OFFICE.**

21 Within 1 year after the date of the enactment of this
22 Act, the Comptroller General of the United States shall
23 prepare and submit to the Committee on Financial Serv-
24 ices of the House of Representatives and the Committee
25 on Foreign Relations of the Senate a report on the bene-

1 fits and costs of the African Development Fund, the Asian
2 Development Fund, a special fund of the Asian Develop-
3 ment Bank, the International Fund for Agricultural De-
4 velopment, and the Fund for Special Operations of the
5 Inter-American Development Bank, providing grants in-
6 stead of loans.

7 **SEC. 8. COMMENDATION.**

8 (a) FINDINGS.—The Congress finds that—

9 (1) the African Development Bank and Fund
10 elected Omar Kabbaj, an official of the Ministry of
11 Finance of Morocco, as the new President in 1995;

12 (2) President Kabbaj implemented successful
13 fiscal and managerial reforms, including refocusing
14 the activity of the African Development Fund on
15 poverty alleviation;

16 (3) under the leadership of President Kabbaj,
17 the African Development Bank began to issue yearly
18 portfolio status reports reflecting improved project
19 monitoring and supervision;

20 (4) President Kabbaj successfully emphasized
21 the importance of project post-evaluation in helping
22 the Bank avoid problems identified with earlier
23 funded projects;

24 (5) President Kabbaj has taken a program ap-
25 proach where all stakeholders, including the bene-

1 ficiaries of the borrower countries, are involved in
2 program design and implementation;

3 (6) President Kabbaj was unanimously ap-
4 pointed to a second 5-year term in May 2000; and

5 (7) under the leadership of President Kabbaj,
6 on June 6, 2001, Standard & Poor's revised the out-
7 look on its AA+ long term issuer ratings of the Af-
8 rican Development Bank to stable from negative.

9 (b) COMMENDATION.—The Congress, on behalf of
10 the people of the United States, commends President
11 Omar Kabbaj for his successful reform efforts as Presi-
12 dent of the African Development Bank and Fund, and en-
13 courages his continued efforts at reform.

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